

# ***Activity/Project Closeout***

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## **Scope**

This process covers closeout of activities, phases, and projects, including but not limited to physical and fiscal completion, asset transfer, contractor evaluations, O&M manuals, and as-built drawings. This includes partial transfers and incremental project acceptance.

This will help facilitate the on-going closeout of financial accounts & documents during the life of the project.

## **Policy**

[AR 25-400-2](http://www.usace.army.mil/pdffiles/r25-400-2.pdf)[\[http://www.usace.army.mil/pdffiles/r25-400-2.pdf\]](http://www.usace.army.mil/pdffiles/r25-400-2.pdf)

[DFAS-IN 37-1, chapter 27](#)

[DOD Financial Management regulation, Volume 3](#)

[ER 5-1-11](http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf)[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er5-1-11/entire.pdf)

[ER 37-2-10](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf)[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-2-10/part1.pdf)

[ER 37-345-10](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf)[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er37-345-10/entire.pdf)

[ER 415-1-16](http://www.usace.army.mil/inet/usace-docs/eng-regs/er415-1-16/entire.pdf)[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er415-1-16/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er415-1-16/entire.pdf)

[ER 1165-2-131](http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf)[\[http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf\]](http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf)

[FAR 4.804, Closeout of Contract Files](#)

## **Responsibility**

The PM is responsible for project closeout; however, the required actions will require participation of a number of Project Delivery Team (PDT) Members. This includes the requirement to transfer of property to customer, transfer of property to Place In Service, and closeout project financial cost accounts. Terminated projects will be expensed per close-out

~~procedures. -after project documents or the design and construction contracts are closed out, so excess funds can be returned to HQUSACE/Customers.~~ The PM ensures that necessary documentation has been received so that project capitalization costs (accounted for in the Construction-in-Progress (CIP) account) are properly transferred out of the CIP account and real property accountability is maintained through the responsibility of the Real Property Accountability Officer.

## Distribution

Project Delivery Team (PDT)\*

Project Manager (PM)\*

Resource Management Office

## Ownership

The ~~BP/P2 Program Office~~Configuration Management Board is responsible for ensuring that this document is necessary, that it reflects actual practice, and that it supports corporate policy.

## System References

*Acronyms and Glossary[REF1001]*

*CEFMS Users Manuals Online[<http://rmf31.usace.army.mil/cefmsdoc/>]*

*Civil Works Program and Budget Process[PROC1022]*

*Lessons Learned[PROC1021]*

*PMP/PgMP Content[REF1018]*

*Project Execution and Control[PROC1017]*

## Activity Preface

This process is performed whenever projects and/or phases of projects, including specific activities, are complete or terminated. Projects can also include oversight of contracts, such as Service and IDIQ. The initiation of this process will derive from Project Execution and Control[PROC1017]. It is important to remember that closeout of projects and/or phases of projects may serve at least four critical purposes: (1) the transfer of cost to the appropriate accounts, and (2) excess funds can be reprogrammed, (3) to record post-completion events and decisions made, and (4) provides an administrative record to serve as a basis for judicial review and community relations. It is also important to reference Lessons Learned[PROC1021] during this process.

District SOP's for transferring costs from Construction-In-Progress (CIP) accounts should address the majority of steps shown below. Best business practice is for District SOP's to include fiscal closeout, as well as physical closeout for asset management and real property accountability. District CIP SOP's should ensure that District's General Ledger Accounts properly reflect projects as complete or under construction. Note that the joint Review of Commitments and Obligations requirement is a quality assurance process to steps 1-5. Reference DOD Financial Management regulation, Volume 3 and DFAS-IN 37-1, chapter 27. ASA (FM&C) memorandum, dtd 26 Jan 99, subject: Quarterly Reviews of Commitments & Obligations. ~~It is important to remember that closeout of projects and/or phases of projects serve two important purposes: (1) the transfer of cost to the appropriate accounts (Place in Service, Local Interest, or Unfeasible), and (2) excess funds can be reprogrammed. It is also important to reference Lessons Learned[PROC1021] during this process.~~

If the project is complete, you will continue on to the Operation & Maintenance (O&M) phase. Otherwise, you will return to Project Execution and Control[PROC1017].

## Project Manager (PM)

1. Ensure PDT reviews unliquidated obligations and undelivered orders commitments in CEFMS for completed activities.
- ~~2. Ensure PDT completes all closeout documents (e.g., contractor evaluations, A-E evaluations, as-built drawings, and O&M manuals), and that they are done in accordance with applicable regulations.~~

## Project Delivery Team (PDT)

- ~~3. Complete all closeout documents.~~
4. Clear outstanding obligations and commitments ~~in PR&C's & work items.~~
5. Close work items/reallocate funds, if appropriate.

**Stop and complete Lessons Learned/PROC1021/.**

**If activity has an asset work item, goto task #6. Otherwise, goto task #7.**

6. Process cost transfer or Place in Service in accordance with applicable regulations and policies and District SOP's.
7. ~~Proceed with closeout of activity~~ Continue.

## Project Manager (PM)

**If completed activity(ies) represents the completion of a product or phase of the project, goto task #7.2. Otherwise, End of Activity; goto *Project Execution and Control/PROC1017/*.**

7.2 Turn over to the customer the completed product, including as-built drawings and O&M manuals.

7.3 Ensure PDT completes all closeout documents (e.g., contractor and A-E evaluations, A-E evaluations, and transfer documents), and that they are done in accordance with applicable regulations.

## Project Delivery Team (PDT)

7.5 Complete all closeout documents and request feedback from customer.

A standard questionnaire available USACE wide or developed by local SOP will provide measurable feedback from our customers.

**Stop and complete Lessons Learned/PROC1021/.**

If all activity work items are closed, all funds reallocated to project work item, and all claims settled, goto task #8. Otherwise, End of Activity; goto **Project Execution and Control/PROC1017/**.

## **Project Manager (PM)**

8. Determine if project is cost-shared.

If cost-shared, goto task #9. Otherwise, goto task #11.

9. Examine total expenditures for each type of funds to determine if correct cost-sharing exists.

Each project which is cost-shared has a certain percentage that is paid by the customer in ~~dollars-cash~~ and/or other contributions such as in-kind services or LERRD credits. CEFMS has the capability to determine the balancing of these percentages at the completion of a project.

Refer to Section 26, Cost Sharing, of the CEFMS Users Manual[[http://rmf31.usace.army.mil/cefms/doc/user\\_manuals/sec26-cost-share.pdf](http://rmf31.usace.army.mil/cefms/doc/user_manuals/sec26-cost-share.pdf)]

Also refer to ER 1165-2-131[<http://www.usace.army.mil/inet/usace-docs/eng-regs/er1165-2-131/entire.pdf>]

## **Project Delivery Team (PDT)**

10. Process cost transfer as necessary, in accordance with cost-sharing requirements and applicable regulations, policies and local SOPs.

~~Refer to Civil Works Program and Budget Process[PROC1022].~~

## **Project Manager (PM)**

11. Prepare and send customer ~~letter~~ memorandum closing project with appropriate documents attached.

12. Organize records and store/archive properly.

Ensure files are maintained in accordance with MARKS. These records include such things as project files, technical documents, reports, plans and specifications, financial documents, etc.

**End of activity.**

